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HEAD: HOUSE OR REPRESENTATIVES PASSES 1996 FOREIGN AID BILL - FUNDING OF BALTIC-AMERICAN ENTERPRISE FUND PROTECTED

The House of Representatives having returned from their July 4th district work period, finally passed H.R. 1868, the 1996 funding bill for U.S. foreign aid programs.

Consideration of the bill had stalled before the July 4th holiday with a series of amendments to further cut both aid to Russia, Turkey and other nations. The bill cuts U.S. foreign aid 12% overall, but the cuts are far more severe in specific accounts such as the aid to the "New Independent States of the Former Soviet Union" (aid to NIS) which falls to $580 million from a 1995 level of $842,500,000. This reflected both a concern for Russia's war against Chechnya and its sales of nuclear reactor technology abroad. Although most congressmen wanted to limit aid to Russia for its behavior, unfortunately, Ukraine, Georgia, Kirgizia and other countries will suffer aid cutbacks because of the State Department's unwillingness to "earmark" (guarantee) aid levels within broad spending accounts such as the NIS account.

The aid to Eastern Europe and the Baltics (SEED) was cut to $324 million in 1996 from a level of $359 million in 1995. Although aid to Eastern Europe and the Baltics escaped drastic cuts this year, the Republican budget plan calls for deep cuts in 1997 ($250 million) and total elimination of the aid program by 1999.

Working with Congressman Richard Durbin (D-IL), the Lithuanian-American Community, Inc. protected funding for the Baltic American Enterprise Fund. A few weeks ago, before H.R. 1868 came to the floor of the House of Representatives for consideration, the Subcommittee on Foreign Operations chaired by Congressman Sonny Callahan (R-LA) included instructions in H.R. 1868 which would have allowed the State Department to provide an additional $30 million to the Hungarian American Enterprise Fund when the Baltic American Enterprise Fund is still waiting for 70% of its funding. This redirection or "reprogramming" of funds could only have come from money originally intended for the Baltic fund and other programs. Although authorized at a $50 million level by the Congress, it has in two years received only $15.5 million from the State Department & US Agency for International Development.

Congressman Durbin, as a member of the full Appropriations Committee received the committee's support to protect the Baltic